

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE CATV POLE ATTACHMENT)	ADMINISTRATIVE
TARIFF OF KENTUCKY)	CASE NO. 251-25
UTILITIES COMPANY)	

O R D E R

Procedural Background

On September 17, 1982, the Commission issued an Amended Order in Administrative Case No. 251, "The Adoption of a Standard Methodology for Establishing Rates for CATV Pole Attachments," and ordered electric and telephone utilities providing or proposing to provide CATV pole attachments to file tariffs conforming to the principles and findings of the Order on or before November 1, 1982.

On November 1, 1982, Kentucky Utilities Company ("Kentucky Utilities") filed rates, rules, and regulations for CATV pole attachments. On November 15, 1982, the Commission suspended Kentucky Utilities' CATV pole attachment tariff to allow the maximum statutory time for investigation and comment from interested persons.

On November 19, 1982, the Kentucky Cable Television Association, Inc., ("KCTA") requested and was granted leave to intervene and comment on Kentucky Utilities' CATV pole attachment tariff. On January 17, 1983, KCTA filed a statement of

objections to various CATV pole attachment tariffs, including those of Kentucky Utilities.

On April 7, 1983, the Commission received an extension of time in which to consider Kentucky Utilities' CATV pole attachment tariff.

FINDINGS

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

1. Kentucky Utilities' rules and regulations governing CATV pole attachments do not conform to the principles and findings of the Commission's Amended Order in Administrative Case No. 251. Kentucky Utilities has not filed the terms and conditions in the tariff form prescribed by the Commission's regulations as required by the Commission's Order of September 17, 1982. The rules and regulations when appropriately filed will be subject to the approval of the Commission.

2. Kentucky Utilities should be allowed to substitute 1982 Annual Report information to adjust its annual carrying charge, if the information is filed with the Commission.

3. Kentucky Utilities' calculation of its annual carrying charge includes a 12.06 percent cost of money component. The calculation should be modified to include a cost of money component equal to the return on net investment allowed in its last rate case.

4. Kentucky Utilities added \$12.50 for ground wires to the cost for each pole. This cost should be excluded except for poles on which a CATV operator has used the ground wire.

5. KCTA objects to Kentucky Utilities' contract provision concerning the cost of pole replacements necessary to accommodate CATV pole attachments. The Commission advises Kentucky Utilities that it may charge a CATV operator the total cost of pole replacements necessary to accommodate CATV pole attachments, less the salvage value of any pole that is removed.

6. KCTA objects to Kentucky Utilities' billing provisions. The late payment provision should be the same as that applied to its other customers.

ORDERS

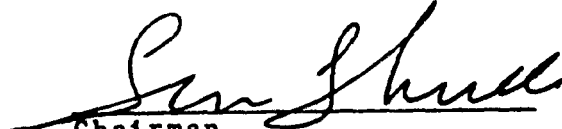
IT IS THEREFORE ORDERED that Kentucky Utilities' CATV pole attachment tariff filed with the Commission on November 2, 1982, be and it hereby is rejected.

IT IS FURTHER ORDERED that Kentucky Utilities shall file revised rates, rules, and regulations governing CATV pole attachments with the Commission within 30 days from the date of this Order, and that the revised rates, rules and regulations shall conform to the findings of this Order and the Commission's Order of September 17, 1982.

IT IS FURTHER ORDERED that Kentucky Utilities shall file detailed workpapers supporting its revised rates at the same time it files its revised rates, rules and regulations.

Done at Frankfort, Kentucky, this 1st day of June, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary